

Senate Bill No. 80

CHAPTER 39

An act to amend Items 0250-001-0001, 0250-101-0932, 0250-490, 0520-001-0001, 0520-001-0044, 0690-102-0001, 1920-011-0001, 3540-301-0001, 3540-301-0660, 3600-001-0001, 3600-001-0200, 3790-492, 3860-001-0001, 3940-001-0001, 3940-001-0193, 5180-111-0001, 6110-485, 6110-495, 6440-001-0001, 6610-001-0001, 6610-493, 6870-101-0001, 9210-101-0001, and 9210-106-0001 of, and to repeal Item 9210-105-0001 of, Section 2.00 of, and to amend Section 35.50 of, and to add Items 0250-491, 0250-498, 0540-492, and 9650-495 to Section 2.00 of, and to add Sections 4.05, 4.85, 29.50, and 35.50 to, the Budget Act of 2005, relating to the state budget, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 2005. Filed with
Secretary of State July 11, 2005.]

I object to the following appropriations contained in Senate Bill 80.

Item 0250-101-0932—For local assistance, Judicial Branch. I revise this item from \$2,513,466,000 to \$2,488,916,000 by reducing:

(1) 45.10-Support for operation of the Trial Courts from \$2,183,763,000 to \$2,159,213,000, and deleting Provision 8.

I am reducing this item by \$24,550,000. The Legislature adopted Uniform Civil Filing Fees trailer bill language that would result in increased revenue of \$14,750,000 in 2005-06 and \$29,500,000 beginning in 2006-07 to the Trial Court Trust Fund. The Legislature also increased appropriation authority in this item by \$29,500,000 beginning in 2005-06. I am vetoing \$14,750,000 to reduce the appropriation authority consistent with the increased level of revenue in 2005-06. In addition, a related veto in Item 0250-111-0001 is reducing the General Fund transfer to the Trial Court Trust Fund by \$9,800,000. Therefore, I am also vetoing \$9,800,000 in this item to conform to that action. The remaining \$4,950,000 will be available as additional expenditure authority to the Trial Court Trust Fund for the facilities program.

I am deleting Provision 8 which would specify the method of allocating additional funds received through a statutorily required adjustment based on the percentage change in the State Appropriations Limit. As a separate and co-equal branch of state government, the Judicial Branch should have the flexibility to allocate these funds based on the operational needs of the trial courts and not according to a methodology imposed by the Legislature.

Item 0520-001-0001—For support of Secretary for Business, Transportation and Housing. I reduce this item from \$8,828,000 to \$8,678,000.

I am deleting the \$150,000 legislative augmentation which provides funding for the Small Business Advocate within the Business, Transportation and Housing Agency. I am a strong proponent of keeping California's business climate positive and helping business development, and believe that small businesses would be best served with this interagency

coordinating function remaining at the Governor's Office of Planning and Research. The Office of Planning and Research should perform this function within existing resources.

Item 0520-001-0044—For support of Secretary for Business, Transportation and Housing. I revise this item by reducing:

(2) 25-Infrastructure Finance and Economic Development Program from \$15,700,000 to \$13,550,000;

(5) Amount payable from the General Fund (Item 0520-001-0001) from -\$8,828,000 to -\$8,678,000; and by deleting:

(9) Amount payable from the Chrome Plating Pollution Prevention Account (Item 0520-001-9329) (-\$2,000,000).

I am reducing this item to conform to the actions I have taken in Items 0520-001-0001 of this bill and 0520-001-9329 of the Budget Act.

Item 3600-001-0001—For support of Department of Fish and Game. I reduce this item from \$44,431,000 to \$38,431,000 by reducing:

(1) 20-Biodiversity Conservation Program from \$132,172,000 to \$128,172,000;

(2) 25-Hunting, Fishing and Public Use from \$48,920,000 to \$44,920,000;

(4) 40-Conservation Education and Enforcement from \$55,643,000 to \$50,643,000;

(12) Amount payable from the Fish and Game Preservation Fund (Item 3600-001-0200) from -\$98,919,000 to -\$95,919,000;

(18.5) Amount payable from the Salmon and Steelhead Trout Restoration Account (Item 3600-001-0384) from -\$8,000,000 to -\$4,000,000; and by deleting Provisions 3 and 4 to conform to this action.

I am deleting the \$5,000,000 legislative augmentation to create 40 new game warden positions. The Department has 352 warden positions available to enforce California's Fish and Game laws. While I am supportive of enforcing California's Fish and Game Code, I am unable to concur in this specific augmentation because of the need to ensure a prudent reserve for economic uncertainties. I am deleting Provision 3 to conform to this action.

I am deleting the \$1,000,000 legislative augmentation to create 7.0 positions for the Wild and Heritage Trout Program. I am deleting Provision 4 to conform to this action.

I am also revising this item to conform to the action I have taken in Item 3600-001-0200 and Item 3600-001-0384.

These reductions are necessary to provide for a prudent General Fund reserve in light of the states current fiscal condition. With these reductions, \$272,209,000 still remains to support these programs.

Item 3600-001-0200—For support of Department of Fish and Game. I reduce this item from \$98,919,000 to \$95,919,000.

I am deleting the \$3,000,000 legislative augmentation which would increase funding for fish hatchery operations to conform to the action I have taken in Items 3640-401 and 3600-001-0001.

Item 6440-001-0001—For support of University of California. I reduce this item from \$2,618,386,000 to \$2,614,585,000 by reducing:

(1) Support from \$2,534,890,000 to \$2,531,089,000, and by revising Provisions 12 and 13 and by deleting Provision 25.

I am deleting the \$3,800,000 legislative augmentation for the Labor Institute.

The Legislature's action restores funding that was provided on a one-time basis in the 2004 Budget Act and these reductions are needed to help bring ongoing expenditures in line with existing resources.

I am deleting Provision 25 to conform to this action.

I am also reducing this item by \$1,000 and revising Provision 12 to eliminate the Legislature's requirement that the California State Summer School for Math and Science (COSMOS) be evaluated consistent with the accountability framework for outreach programs that was developed by the University in April 2005. This program is not an outreach program focused on increasing the academic performance of disadvantaged students; therefore, an evaluation on that basis would not be productive. The \$1,000 reduction reflects savings by revising Provision 12, as follows, to eliminate the unproductive effort required by the Provision:

"12. It is the intent of the Legislature that the University of California report by April 1, 2006, on the outcomes and effectiveness of COSMOS, ~~consistent with the accountability framework developed by the University of California for student academic preparation and education programs in April 2005.~~"

I am revising Provision 13 to eliminate the Legislature's requirement that the Welfare Policy Research Project be located at the University of California at Berkeley campus. This is an internal issue to the University, and as such, both usurps the autonomy of the University and the authority of the Executive Branch to operate programs. I am revising Provision 13 to conform to this action as follows:

"13. The amount appropriated in Schedule (1) includes funding for the University of California ~~at Berkeley, Institute for Governmental Studies,~~ to support the Welfare Policy Research Project, per Article 9.7 (commencing with Section 11526) of Chapter 2 of Part 3 of the Welfare and Institutions Code."

Finally, I am sustaining the \$17.3 million legislative augmentation for Student Academic Preparation and Education Programs on a one-time basis, with the understanding that the University will work with the Administration to fully evaluate the cost-effectiveness of each program and eliminate those that cannot demonstrate an adequate return on investment.

Item 6610-001-0001—For support of the California State University. I reduce this item from \$2,554,085,250 to \$2,550,645,250 by reducing:

(1) Support from \$3,978,663,250 to \$3,975,223,250, and by revising Provision 11.

I am reducing the legislative augmentation for a specific entry-level master's degree program in nursing from \$4,000,000 to \$560,000 because the level of funding provided exceeds the programmatic need in the budget year. However, I believe very strongly in increasing the number of nurses in California. Therefore, in order to ensure that all these dollars are not left unspent, and actually are used to address our nursing shortage, I am setting aside the vetoed amount, to address this critical need through different approaches, pursuant to subsequent legislation. For instance, I would consider signing legislation that would appropriate the remainder of the \$4,000,000 to the California State University, the University of California, or both, to work with some of California's independent colleges and universities to increase capacity for nursing programs with the objective to further increase the number of nursing faculty available in our state. The availability of increased nursing faculty will allow schools to offer more nursing classes and increase the State's capacity to train an even greater number of nurses.

I am revising Provision 11 to conform to this action as follows:

"11. Of the amount appropriated in Schedule (1), ~~\$4,000,000~~ \$560,000 is to support the development of entry-level master's degree programs in nursing, pursuant to Article 8 (commencing with Section 89270) of Chapter 2 of Part 55 of Title 3 of the Education Code."

Finally, I am sustaining the \$7 million legislative augmentation for student academic preparation and student support services programs on a one-time basis, with the understanding that the University will work with the Administration to fully evaluate the cost-effectiveness of each program and eliminate those that cannot demonstrate an adequate return on investment.

Item 6870-101-0001—For local assistance, Board of Governors of the California Community Colleges. I am deleting Provision 6.6 of this item to conform to my action on that same Provision and Control Section 24.50 in the main budget bill, SB 77:

As stated in the veto message for SB 77, I am deleting Provision 6.6 which states legislative intent to fund Career Technical Education pursuant to the Legislature's new added Control Section 24.50. Control Section 24.50 would require that \$20,000,000 for Career Technical Education be linked to providing an identical amount of funding for supplemental instructional materials for English learners. These two programs do not share any legal or programmatic relationship; thus, the Control Section creates an inappropriate funding link between these distinct programs. Further, this action is unconstitutional and attempts to usurp the Governor's veto authority.

I have a strong commitment to career technical education reform in order to ensure that all students have the opportunity to prepare for high paying careers in the high-demand job sectors of our economy. Therefore, I am setting aside \$20,000,000 from my veto of Control Section 24.50 to provide support for Career Technical Education in separate legislation.

Item SEC. 29.50—Employee Compensation Savings. I delete this control section.

I am deleting Control Section 29.50 because this language is unnecessary and infringes on the Administration's prerogatives regarding collective bargaining. This section requires the Administration to notify the Legislature 10 days prior to any reductions in appropriations based on the results of collective bargaining. Control Section 4.01 provides the same authority to reduce appropriations but provides for legislative notification within 30 days of the reductions. Notification prior to reductions would place the Legislature in the position of approving or disapproving specific employee compensation reforms that arise from collective bargaining negotiations, rather than ratifying memoranda of understanding that require expenditures of funding as provided for in Government Code Sections 3517.6 and 3517.61. This constitutes an infringement on the Governor's responsibilities under the Dills Act.

With the above deletions, revisions, and reductions, I hereby approve Senate Bill 80.

ARNOLD SCHWARZENEGGER, Governor

LEGISLATIVE COUNSEL'S DIGEST

SB 80, Committee on Budget and Fiscal Review. Budget Act of 2005.

SB 77, as proposed to be amended by Conference Report No. 1 on June 13, 2005, would make appropriations for the support of state government during the 2005–06 fiscal year.

This bill would amend the Budget Act of 2005 by revising items of appropriation for support of the judicial branch; the Office of Emergency Services; the Secretary for Business, Transportation, and Housing; the Secretary for Resources; the State Teachers' Retirement Fund; the Department of Forestry and Fire Protection; the Department of Fish and Game; the Department of Parks and Recreation; the Department of Water Resources; the State Water Resources Control Board; the State

Department of Social Services; the State Department of Education; the University of California; the California State University; the Board of Governors of the California Community Colleges; local government financing; the Gap Repayment Fund; and Vehicle License Fee gap loan transfers, as specified, and by authorizing unallocated reductions.

This bill would become effective only if SB 77, as proposed to be amended by Conference Report No. 1 on June 13, 2005, is enacted on or before January 1, 2006.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Item 0250-001-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

0250-001-0001—For support of Judicial Branch..... 307,933,000

Schedule:

(1) 10-Supreme Court.....	40,743,000
(2) 20-Courts of Appeal	177,276,000
(3) 30-Judicial Council.....	101,049,000
(4) 35-Judicial Branch Facility Program.....	2,087,000
(5) 50-Habeas Corpus Resource Center.....	11,425,000
(6) Reimbursements.....	-17,189,000
(7) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0250-001-0044).....	-160,000
(8) Amount payable from the Court Interpreters' Fund (Item 0250-001-0327).....	-142,000
(9) Amount payable from the Federal Trust Fund (Item 0250-001-0890).....	-2,560,000
(10) Amount payable from the Appellate Court Trust Fund (Item 0250-001-3060).....	-4,596,000

Provisions:

1. Notwithstanding Section 26.00 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by order of the Judicial Council.

2. Of the funds appropriated in this item, \$200,000 is available for reimbursement to the Attorney General, or for hiring outside counsel, for prelitigation and litigation fees and costs, including any judgment, stipulated judgment, offer of judgment or settlement. This amount is for use in connection with (a) matters arising from the actions of appellate courts, appellate court bench officers, or appellate court employees; (b) matters arising from the actions of the Judicial Council, council members or council employees or agents; (c) matters arising from the actions of the Administrative Office of the Courts or its employees; or (d) employment litigation arising from the actions of trial courts, trial court bench officers, or trial court employees. Either the state or the Judicial Council must be named as a defendant or alleged to be the responsible party. Any funds not used for this purpose shall revert to the General Fund.
3. Notwithstanding any other provision of law, up to \$5,000,000 appropriated in this item may be transferred to Item 0250-101-0001 by the Controller at the request of the Administrative Office of the Courts, to cover any short-term cashflow issues that occur. Any funds transferred shall be repaid to this item from Item 0250-101-0001. The Judicial Council shall notify the Department of Finance and the Joint Legislative Budget Committee when any transfer is made pursuant to this provision, and upon repayment of the transfer.
4. The funds appropriated by Schedule (5) shall be available for costs associated directly or indirectly with the California Habeas Corpus Resource Center (CHCRC). The CHCRC shall report to the Legislature and the Department of Finance on September 1, 2005, and April 1, 2006, on expenditures, specifically detailing personal services expenditures, and operating expenses and equipment expenditures.

5. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the amount appropriated in this item shall be reduced by the amount transferred in Item 0250-011-0001 to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers' compensation claims for judicial branch employees and administrative costs pursuant to Section 68114.10 of the Government Code.

SEC. 2. Item 0250-101-0932 of Section 2.00 of the Budget Act of 2005 is amended to read:

0250-101-0932—For local assistance, Judicial Branch,
payable from the Trial Court Trust Fund 2,513,466,000

Schedule:

- (1) 45.10-Support for operation of
the Trial Courts..... 2,183,763,000
- (2) 45.25-Compensation of Superior
Court Judges..... 233,530,000
- (3) 45.35-Assigned Judges..... 20,254,000
- (4) 45.45-Court Interpreters..... 72,233,000
- (5) 45.55.060-Court Appointed
Special Advocate (CASA)
Program..... 2,052,000
- (6) 45.55.065-Model Self-Help
Program..... 887,000
- (7) 45.55.095-Family Law
Information Centers..... 321,000
- (8) 45.55.100-Civil Case
Coordination..... 426,000

Provisions:

1. Notwithstanding Section 26.00 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by the Judicial Council.
2. The funds appropriated in Schedule (2) shall be made available for costs of the workers' compensation program for trial court judges.
3. The amount appropriated in Schedule (3) shall be made available for all judicial assignments. Schedule (3) expenditures for necessary chamber staff may not exceed the staffing level that is necessary to support the equivalent of three judicial officers sitting on assignments at the appellate court level.

4. The funds appropriated in Schedule (4) shall be for payments for services of contractual court interpreters, and certified and registered court interpreters employed by the courts, and the following court interpreter coordinators: one each in counties of the 1st through the 15th classes, 0.5 each in counties of the 16th through the 31st classes, and 0.25 each in counties of the 32nd through the 58th classes. For the purposes of this provision, “court interpreter coordinators” may be full- or part-time court employees, or those contracted by the court to perform these services.

The Judicial Council shall set statewide or regional rates and policies for payment of court interpreters, not to exceed the rate paid to certified interpreters in the federal court system. The Judicial Council shall adopt appropriate rules and procedures for the administration of these funds. The Judicial Council shall report to the Legislature and Director of the Department of Finance annually regarding expenditures from this schedule.

- 5 Upon order of the Director of Finance, the amount available for expenditure in this item may be augmented by the amount of any additional resources available in the Trial Court Trust Fund, which is in addition to the amount appropriated in this item.
6. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the amount appropriated in this item shall be reduced by the amount transferred in Item 0250-115-0932 to provide adequate resources to the Judicial Branch Workers’ Compensation Fund to pay workers’ compensation claims for judicial branch employees and administrative costs pursuant to Section 68114.10 of the Government Code.
7. Of the funds appropriated in Schedule (1), which will be transferred to the Trial Court Improvement Fund in accordance with subdivision (b) of Section 77209 of the Government Code, up to \$5,000,000 shall be available for support of services for self-represented litigants.

8. The funds in Schedule (1) for the operation of the trial courts, except funds relating to security, shall be allocated to the Judicial Council in a manner consistent with the calculations specified in the Supplemental Report of the 2005 Budget Act so that a portion of the funds are allocated on a pro rata basis for the general operation of the trial courts and a portion of the funds are allocated in order to address the differential growth needs of the trial courts.

SEC. 3. Item 0250-490 of Section 2.00 of the Budget Act of 2005 is amended to read:

0250-490—Reappropriation, Judicial Branch. The balance of the appropriation provided for in the following citation is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriation:

0660—Public Buildings Construction Fund

- (1) Item 0250-301-0660, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 0250-490, Budget Act of 2003 (Ch. 379, Stats. 2003)

- (2) 90.20.501-Court of Appeal, Fifth Appellate
District Fresno: New
Courthouse—Construction

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the design and construction of the projects authorized by this item.

2. The State Public Works Board may authorize the augmentation of the cost of design and construction of the projects scheduled in this item pursuant to the board's authority under Section 13332.11 of the Government Code. In addition, the State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the cost of financing, including the payment of interest during the construction of the project, the costs of financing a debt service fund, and the cost of issuance of permanent financing for the project. This additional amount may include interest payable on any interim financing obtained.

SEC. 4. Item 0250-491 is added to Section 2.00 of the Budget Act of 2005 to read:

0250-491—Reappropriation, Judicial Branch. \$75,000 of the balance of the appropriation provided for in the following citation is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriation:

0001—General Fund

- (1) Item 0250-301-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), as partially reappropriated by Item 0250-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

- (1) 90.20.401-Court of Appeal, Fourth Appellate District, Orange County: New Courthouse—Acquisition, provided that the funds shall be available for expenditure until June 30, 2006.

SEC. 5. Item 0250-498 is added to Section 2.00 of the Budget Act of 2005 to read:

0250-498—Reversion, Judicial Branch. As of June 30, 2005, the specified balance of the following appropriation shall revert to the fund balance from which the appropriation was made:

0001—General Fund

- (1) Item 0250-301-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), as partially reappropriated by Item 0250-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 90.20.401-Court of Appeal, Fourth Appellate District, Orange County: New Courthouse—Acquisition.....	2,178,000
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SEC. 6. Item 0520-001-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

0520-001-0001—For support of Secretary for Business, Transportation and Housing, for payment to Item 0520-001-0044 payable from the General Fund.....	8,828,000
Provisions:	
1. Of the amount appropriated in this item, \$7,300,000 shall be available for use by the California Travel and Tourism Commission for use in promoting California tourism to potential visitors.	

SEC. 7. Item 0520-001-0044 of Section 2.00 of the Budget Act of 2005 is amended to read:

0520-001-0044—For support of Secretary for Business, Transportation and Housing, payable from the Motor Vehicle Account, State Transportation Fund	1,133,000
Schedule:	
(1) 10-Administration of Business, Transportation and Housing Agency.....	3,009,000
(2) 25-Infrastructure Finance and Economic Development Program.....	15,700,000
(3) 97.20.001-Unallocated Reduction.....	-22,000
(4) Reimbursements.....	-2,987,000
(5) Amount payable from the General Fund (Item 0520-001-0001).....	-8,828,000
(6) Amount payable from the California Infrastructure and Economic Development Bank Fund (Item 0520-001-0649).....	-3,248,000
(7) Amount payable from the Small Business Expansion Fund (Item 0520-001-0918).....	-435,000
(8) Amount payable from the Welcome Center Fund (Item 0520-001-3083).....	-56,000

- (9) Amount payable from the Chrome
Plating Pollution Prevention
Account (Item 0520-001-9329)..... -2,000,000

SEC. 8. Item 0540-492 is added to Section 2.00 of the Budget Act of 2005, to read:

0540-492—Reappropriation, Secretary for Resources. The balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2006:

6015—River Protection Subaccount

- (1) Item 0540-101-6015, Budget Act of 2000 (Ch. 52, Stats. 2000)
(b) San Gabriel River

SEC. 9. Item 0690-102-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

0690-102-0001—For local assistance, Office of Emergency Service..... 27,849,000
Schedule:
(1) 50.20.102-Victims' Legal Resource Center..... 41,000
(2) 50.20.151-Domestic Violence Program..... 2,730,000
(3) 50.20.152-Family Violence Prevention..... 50,000
(4) 50.20.301-Rape Crisis Program..... 50,000
(5) 50.20.302-Rape Prevention..... 5,571,000
(6) 50.20.351-Homeless Youth Project..... 396,000
(7) 50.20.352-Youth Emergency Telephone Referral..... 127,000
(8) 50.20.354-Child Sexual Abuse Prevention and Training..... 302,000
(9) 50.30.502-War on Methamphetamine..... 9,500,000
(10) 50.30.503-Vertical Prosecution Block Grants..... 8,176,000
(11) 50.30.522-Evidentiary Medical Training..... 648,000
(12) 50.30.541-Public Prosecutors and Public Defenders..... 8,000
(13) 50.30.661-California Gang Violence Suppression Program..... 2,790,000

(14) 50.30.662-CALGANG.....	300,000
(15) 50.30.672-Multi-Agency Gang Enforcement Consortium.....	93,000
(16) 50.30.815-Rural Crime Prevention Program.....	3,643,000
(17) Reimbursements.....	-6,576,000

Provisions:

1. Notwithstanding any other provision of law, the Office of Emergency Services may provide advance payment of up to 25 percent of grant funds awarded to community-based nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cashflow problems according to the criteria set forth by the Office of Emergency Services.
2. To maximize the use of program funds and demonstrate the commitment of the grantees to program objectives, the Office of Emergency Services shall require all grantees of funds from the Gang Violence Suppression-Curfew Enforcement Strategy Program to provide local matching funds of at least 10 percent for the first and each subsequent year of operation. This match requirement applies to each agency that is to receive grant funds. An agency may meet its match requirements with an in-kind match, if approved by the Office of Emergency Services.
3. Of the amount appropriated in Schedule (16), \$300,000 shall be provided to Monterey County for a planning grant consistent with the Central Coast Rural Crime Prevention Program as established in Chapter 18 of the Statutes of 2003.

SEC. 10. Item 1920-011-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

1920-011-0001—For transfer by the Controller to the State Teachers' Retirement Fund..... (1,081,064,000)

Schedule:

(1) Supplemental Maintenance	Benefit Account
(SBMA).....	(581,367,000)
(2) Benefits Funding.....	(499,697,000)

Provisions:

1. The estimated amount referenced in Schedule (1) is the state's contribution required by Section 22954 of the Education Code.

2. The estimated amount referenced in Schedule (2) is the state's contribution required by subdivisions (a) and (b) of Section 22955 of the Education Code

SEC. 11. Item 3540-301-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

3540-301-0001—For capital outlay, Department of Forestry and Fire Protection.....	14,851,000
Schedule:	
(.5) 30.30.175-Owens Valley Conservation Camp: Construct Utility Upgrades— Construction.....	1,511,000
(2) 30.40.110-Hollister Air Attack Base: Relocate Facility—Preliminary plans.....	269,000
(3) 30.60.050-Statewide: Construct Communications Facilities—Preliminary plans and working drawings.....	2,660,000
(3.3) 30.30.060-Hemet-Ryan Air Attack Base: Replace Facility—Acquisition and construction.....	8,296,000
(4) 30.80-Minor capital outlay.....	2,115,000

Provisions:

1. The funds appropriated by Schedules (3) and (4) of this item include funding for construction and preconstruction activities, including, but not limited to, study environmental documents, preliminary plans, working drawings, equipment, and other costs relating to the design and construction of facilities, to be performed by the Department of Forestry and Fire Protection, subject to approval by the Department of Finance. While the Department of Forestry and Fire Protection may manage the project, the project is subject to the review by the State Public Works Board.

SEC. 12. Item 3540-301-0660 of Section 2.00 of the Budget Act of 2005 is amended to read:

3540-301-0660—For capital outlay, Department of Forestry and Fire Protection, payable from the Public Buildings Construction Fund.....	129,236,000
Schedule:	

(0.5) 30.10.005-Alma Helitack Base: Replace Facility—Preliminary plans, working drawings, and construction.....	6,469,000
(0.7) 30.10.035-Stevens Creek Forest Fire Station: Replace Facility—Acquisition, working drawings, and construction.....	2,902,000
(1) 30.10.055-Ukiah Air Attack Base: Relocate Facility—Acquisition, preliminary plans, working drawings, and construction.....	9,956,000
(1.4) 30.10.090-Pacheco Forest Fire Station: Replace Facility—Acquisition and construction.....	2,445,000
(1.6) 30.10.110-Elk Camp Forest Fire Station: Relocate Facility—Working drawings and construction.....	2,833,000
(1.8) 30.10.125-Mendocino Ranger Unit Headquarters: Replace Automotive Shop—Working drawings and construction	3,258,000
(2) 30.10.065-Sweetwater Forest Fire Station: Replace Facility—Preliminary plans, working drawings, and construction.....	3,117,000
(3) 30.10.130-Santa Clara Ranger Unit Headquarters: Construct Facility—Working drawings and construction.....	2,721,000
(3.1) 30.20.030-Harts Mill Forest Fire Station: Relocate Facility—Construction.....	2,392,000
(3.15) 30.40.105-Vallecito Conservation Camp: Replace Apparatus Buildings and Utilities—Working drawings and construction.....	3,483,000
(3.2) 30.30.015-Independence Forest Fire Station: Relocate Facility—Working drawings and construction.....	2,758,000

(3.25) 30.30.020-San Luis Obispo Ranger Unit Headquarters: Replace Facility—Construction.....	10,303,000
(3.35) 30.30.065-San Marcos Forest Fire Station: Relocate Facility—Preliminary plans, working drawings, and construction.....	2,933,000
(3.4) 30.30.075-Warner Springs Forest Fire Station: Replace Facility—Acquisition, preliminary plans, working drawings, and construction.....	3,600,000
(3.45) 30.30.115-Ventura Youth Conservation Camp: Construct Apparatus Buildings, Shop, and Warehouse—Working drawings and construction.....	2,657,000
(3.5) 30.30.150-Nipomo Forest Fire Station: Replace Facility—Acquisition and construction.....	2,936,000
(3.55) 30.40.050-Rancheria Forest Fire Station: Replace Facility—Working drawings and construction.....	3,272,000
(3.6) 30.40.075-Usona Forest Fire Station: Replace Facility—Working drawings and construction.....	2,325,000
(3.65) 30.40.090-Antelope Forest Fire Station: Replace Barracks and Messhall Building—Construction.....	236,000
(3.7) 30.40.120-Dew Drop Forest Fire Station: Replace Facility—Acquisition and construction.....	2,457,000
(3.75) 30.40.125-Twain Harte Forest Fire Station: Relocate Facility--Preliminary plans, working drawings, and construction.....	3,826,000

(3.8) 30.40.130-Springville Forest Fire Station: Relocate Facility—Preliminary plans, working drawings, and construction.....	3,697,000
(3.85) 30.40.135-Raymond Forest Fire Station: Relocate Facility—Preliminary plans, working drawings, and construction.....	3,444,000
(3.9) 30.40.145-Bautista Conservation Camp: Replace Modular Buildings--Preliminary plans, working drawings, and construction.....	4,758,000
(3.95) 34.40.195-Altaville Forest Fire Station: Replace Facility—Working drawings and construction.....	3,754,000
(4) 30.60.045-Statewide: Construct Forest Fire Stations—Preliminary plans, working drawings, and construction.....	36,704,000

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the acquisition, design, and construction of the projects authorized by this item.
2. The State Public Works Board and the Department of Forestry and Fire Protection may obtain interim financing for the project costs authorized in this item from any appropriate source including, but not limited to, the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.

3. The State Public Works Board may authorize the augmentation of the costs of acquisition, design, and construction of the projects scheduled in this item pursuant to the board's authority under Section 13332.11 of the Government Code. In addition, the State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the cost of financing including the payment of interest during construction of the project, the costs of financing a debt service fund, and the cost of issuance of permanent financing for the project. This additional amount may include interest payable on any interim financing obtained.
4. Notwithstanding any other provision of law, the funds appropriated by Schedules (1) and (4) of this item shall be available for expenditure during the 2005-06 fiscal year, except appropriations for working drawings which shall be available for expenditure until June 30, 2007, and appropriations for construction which shall be available for expenditure until June 30, 2010. In addition, the balance of funds appropriated for construction by Schedules (1) and (4) that have not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before June 30, 2008, shall revert as of that date to the fund from which the appropriation was made.
5. This department is authorized and directed to execute and deliver any and all leases, contracts, agreements, or other documents necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.
6. The State Public Works Board shall not be deemed a lead or responsible agency for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (Part 10.5 (commencing with Section 15800) of Division 3 of Title 2 of the Government Code). This section does not exempt this department from the requirements of the California Environmental Quality Act. This section is intended to be declarative of existing law.

7. Notwithstanding any other provision of law, the funds appropriated by Schedule (1) of this item may be used to acquire fee acquisition through a purchase option or less than fee acquisition, through a long-term lease or prepaid long-term lease, subject to approval by the Department of Finance.
8. The funds appropriated in Schedule (4) of this item include funding for construction and pre-construction activities, including, but not limited to, study, environmental documents, preliminary plans, working drawings, equipment, and other costs relating to the design and construction of facilities that may be performed by the Department of Forestry and Fire Protection, subject to approval by the Department of Finance. While the Department of Forestry and Fire Protection may manage the project, the project is subject to the review of the State Public Works Board and requires authorization to proceed to bid by the Department of Finance. Funds may also be used by the Department of General Services for project monitoring and oversight.

SEC. 13. Item 3600-001-0001 of Section 2.00 of the Budget Act of 2005, is amended to read:

3600-001-0001—For support of Department of Fish and Game	44,431,000
Schedule:	
(1) 20-Biodiversity Conservation Program.....	132,172,000
(2) 25-Hunting, Fishing and Public Use.....	48,920,000
(3) 30-Management of Department Lands and Facilities.....	43,374,000
(4) 40-Conservation Education and Enforcement.....	55,643,000
(5) 50-Spill Prevention and Response.....	29,737,000
(6) 70.01-Administration.....	33,756,000
(7) 70.02-Distributed Administration.....	-33,756,000
(8) 97.20.001-Unallocated Reduction.....	-569,000
(9) Reimbursements.....	-38,819,000

(10) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3600-001-0005).....	-1,537,000
(11) Amount payable from the California Environmental License Plate Fund (Item 3600-001-0140).....	-15,802,000
(12) Amount payable from the Fish and Game Preservation Fund (Item 3600-001-0200).....	-98,919,000
(13) Amount payable from the Fish and Wildlife Pollution Account (Item 3600-001-0207).....	-2,577,000
(14) Amount payable from the California Waterfowl Habitat Preservation Account, Fish and Game Preservation Fund (Item 3600-001-0211).....	-220,000
(15) Amount payable from the Exotic Species Control Fund (Item 3600-001-0212).....	-1,199,000
(16) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3600-001-0235).....	-2,542,000
(17) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3600-001-0320)	-21,503,000
(18) Amount payable from the Environmental Enhancement Fund (Item 3600-001-0322).....	-381,000
(18.5) Amount payable from the Salmon and Steelhead Trout Restoration Account (Item 3600-001-0384)	-8,000,000
(19) Amount payable from the Central Valley Project Improvement Subaccount (Item 3600-001-0404).....	-54,000
(20) Amount payable from the Federal Trust Fund (Item 3600-001-0890).....	-66,656,000

(22) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3600-001-6031).....	–4,245,000
(23) Amount payable from the Salton Sea Restoration Fund (Item 3600-001-8018)	–2,392,000

Provisions:

1. The funds appropriated in this item may be increased with the approval of, and under the conditions set by, the Department of Finance to meet current obligations proposed to be funded in Schedules (9) and (20). The funds appropriated in this item shall not be increased until the Department of Fish and Game has a valid contract, signed by the client agency, that provides sufficient funds to finance the increased authorization. This increased authorization may not be used to expand services or create new obligations.
Reimbursements received under Schedules (9) and (20) shall be used in repayment of any funds used to meet current obligations pursuant to this provision.
2. Of the amount appropriated in Schedule (3), \$95,000 from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund and \$622,000 in reimbursements shall be available for fire prevention projects until June 30, 2007.
3. It is the intent of the Legislature that, of the funds appropriated in this item, \$5,000,000 be provided for the hiring of additional game wardens in order to ensure that California's natural environment is protected through tough enforcement of existing laws.
4. It is the intent of the Legislature that, of the funds provided in this item, \$1,000,000 be provided for the purposes of protecting and preserving California's wild and heritage trout populations.
5. It is the intent of the Legislature that, of the funds appropriated in this item, \$1,700,000 be provided for the hiring of Fish and Game staff to review timber harvest plans in order to ensure that California's natural environment is protected through tough enforcement of existing laws.

6. Funds provided to rebuild the Wild/Heritage Trout Program may be used to match federal funds. Any matching federal funds received may be expended by the Department of Fish and Game to hire a seasonal team in each region to augment the work of the department's biologists. The notification requirements of Section 28.00 do not apply to federal funds received for this purpose.

SEC. 14. Item 3600-001-0200 of Section 2.00 of the Budget Act of 2005 is amended to read:

3600-001-0200—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Fish and Game Preservation Fund..... 98,919,000

Provisions:

1. Of the funds appropriated in this item, \$203,000 is for reimbursement to the State Department of Health Services for shellfish monitoring activities.
4. Of the funds appropriated in this item, \$3,000,000 shall be available to continue operations of state fish hatcheries located in various regions of the state.

SEC. 15. Item 3790-492 is added to Section 2.00 of the Budget Act of 2005, to read as follows:

3790-492—Reappropriation, Department of Parks and Recreation. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citation is extended to June 30, 2006:

0001—General Fund

- (1) Item 3790-101-0001, Budget Act of 2001 (Ch.106, Stats. 2001)
 - (b) Local Projects
 - (119) City of Stockton: Pixie Woods Children's Park
 - (120) City of Stockton: development of youth soccer fields
 - (124) San Francisco Organizing Project: Facade improvements
- (2) Item 3790-101-0001, Budget Act of 2000 (Ch. 52, Stats. 2000)
 - (a) Grants
 - (130) City of Glendale: Deukmejian Wilderness Park
 - (248) City of Huntington Park: Bonneli Regional Youth Center

- (3) Item 3790-102-0005, Budget Act of 2000 (Ch. 52, Stats. 2000)
 - (a) 80.25-Recreational Grants
 - (5) Murray-Hayden Grants
 - (i) City of Huntington Park: Regional Youth Center
 - (qx) City of Huntington Park: Bonneli Regional Youth Center
- (4) Item 3790-101-0001, Budget Act of 1999 (Ch. 50, Stats. 1999), as reappropriated by Chapter 1127 of the Statutes of 2002
 - (a) Recreational Grants
 - (152) City of San Jacinto: Regional Aquatic Center Swimming Pool
- 0262—Habitat Conservation Fund
 - (1) Item 3790-101-0262, Budget Act of 1999 (Ch. 50, Stats. 1999), as reappropriated by Item 3790-493, Budget Act of 2004 (Ch. 208, Stats. 2004)
 - (1) 80.25.0001-Local Grants--Habitat Conservation Fund Program

Provisions:

- 1. The reappropriation is limited to the \$325,000 grant to the Mid-Peninsula Regional Open Space District.

SEC. 16. Item 3860-001-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

3860-001-0001—For support of Department of Water Resources.....	73,440,000
Schedule:	
(1) 10-Continuing Formulation of the California Water Plan.....	108,447,000
(2) 20-Implementation of the State Water Resources Development System.....	5,220,000
(3) 30-Public Safety and Prevention of Damage.....	92,690,000
(4) 40-Services.....	7,205,000
(5) 45-California Energy Resources Scheduling (CERS).....	32,343,603
(6) 50.01-Management and Administration.....	63,700,000
(7) 50.02-Distributed Management and Administration	–63,700,000
(8) 97.20.001-Unallocated Reduction.....	–576,000
(9) Reimbursements.....	–25,944,000

(10) Amount payable from the California Environmental License Plate Fund (Item 3860-001-0140).....	-238,000
(11) Amount payable from the Central Valley Project Improvement Subaccount (Item 3860-001-0404).....	-1,575,000
(12) Amount payable from the Feasibility Projects Subaccount (Item 3860-001-0445).....	-482,000
(13) Amount payable from the Water Conservation and Groundwater Recharge Subaccount (Item 3860-001-0446)	-125,000
(14) Amount payable from the Energy Resources Programs Account (Item 3860-001-0465).....	-1,792,000
(15) Amount payable from the Local Projects Subaccount (Item 3860-001-0543).....	-101,000
(17) Amount payable from the 1986 Water Conservation and Water Quality Bond Fund (Item 3860-001-0744).....	-195,000
(18) Amount payable from the Federal Trust Fund (Item 3860-001-0890).....	-12,700,000
(19) Amount payable from the Dam Safety Fund (Item 3860-001-3057).....	-7,827,000
(20) Amount payable from the Electric Power Fund (Item 3860-001-3100).....	-32,343,603
(21) Amount payable from the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Fund (Item 3860-001-6001)	-988,000
(22) Amount payable from Floodplain Mapping Subaccount (Item 3860-001-6003).....	-254,000
(23) Amount payable from the Flood Protection Corridor Subaccount (Item 3860-001-6005).....	-866,000

- (24) Amount payable from the Urban Stream Restoration Subaccount (Item 3860-001-6007)..... -701,000
- (25) Amount payable from the Yuba Feather Flood Protection Subaccount (Item 3860-001-6010)..... -703,000
- (26) Amount payable from the Water Conservation Account (Item 3860-001-6023)..... -789,000
- (27) Amount payable from the Conjunctive Use Subaccount (Item 3860-001-6025)..... -1,316,000
- (28) Amount payable from the Bay-Delta Multipurpose Water Management Subaccount (Item 3860-001-6026)..... -3,604,000
- (29) Amount payable from the Interim Water Supply and Water Quality Infrastructure and Management Subaccount (Item 3860-001-6027)..... -433,000
- (19) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3860-001-6031)..... -78,913,000

Provisions:

- 1. The amounts appropriated in Items 3860-001-0001 to 3860-001-6031, inclusive, shall be transferred to the Water Resources Revolving Fund (0691) for direct expenditure in such amounts as the Department of Finance may authorize, including cooperative work with other agencies.
- 2. Notwithstanding any other provision of law, the fees supporting the Watermaster program shall not be increased in the 2005–06 fiscal year.

SEC. 17. Item 3940-001-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

3940-001-0001—For support of State Water Resources Control Board..... 29,236,000

Schedule:

- (1) 10-Water Quality..... 427,309,000
- (2) 20-Water Rights..... 11,085,000
- (3) 30.01-Administration..... 17,805,000

(4) 30.02-Distributed Administration.....	-17,805,000
(5) 97.20.001-Unallocated Reduction.....	-454,000
(6) Reimbursements	-9,815,000
(7) Amount payable from the Unified Program Account (Item 3940-001-0028).....	-525,000
(8) Amount payable from the Waste Discharge Permit Fund (Item 3940-001-0193).....	-57,818,000
(9) Amount payable from the Marine Invasive Species Control Fund (Item 3940-001-0212).....	-77,000
(10) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3940-001-0235).....	-3,666,000
(11) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3940-001-0387).....	-5,547,000
(12) Amount payable from the State Revolving Fund Loan Subaccount (Item 3940-001-0417).....	-538,000
(13) Amount payable from the Water Recycling Subaccount (Item 3940-001-0419).....	-153,000
(14) Amount payable from the Drainage Management Subaccount (Item 3940-001-0422).....	-515,000
(16) Amount payable from the Seawater Intrusion Control Subaccount (Item 3940-001-0424).....	-39,000
(17) Amount payable from the Underground Storage Tank Tester Account (Item 3940-001-0436).....	-63,000
(18) Amount payable from the Underground Storage Tank Cleanup Fund (Item 3940-001-0439).....	-275,556,000
(19) Amount payable from the Surface Impoundment Assessment Account (Item 3940-001-0482).....	-198,000

(20) Amount payable from the 1984 State Clean Water Bond Fund (Item 3940-001-0740).....	-321,000
(21) Amount payable from the Federal Trust Fund (Item 3940-001-0890).....	-34,670,000
(22) Amount payable from the Water Rights Fund (Item 3940-001-3058).....	-9,227,000
(23) Amount payable from the Watershed Protection Subaccount (Item 3940-001-6013).....	-1,069,000
(24) Amount payable from the Santa Ana River Watershed Subaccount (Item 3940-001-6016).....	-1,062,000
(25) Amount payable from the Lake Elsinore and San Jacinto Watershed Subaccount (Item 3940-001-6017).....	-47,000
(26) Amount payable from the Nonpoint Source Pollution Control Subaccount (Item 3940-001-6019).....	-1,238,000
(27) Amount payable from the State Revolving Fund Loan Subaccount (Item 3940-001-6020).....	-81,000
(28) Amount payable from the Wastewater Construction Grant Subaccount (Item 3940-001-6021).....	-23,000
(29) Amount payable from the Coastal Nonpoint Source Control Subaccount (Item 3940-001-6022).....	-1,076,000
(30) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3940-001-6031).....	-4,820,000
(31) Amount payable from the Petroleum Underground Storage Tank Financing Account (Item 3940-001-8026).....	-560,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, the State Water Resources Control Board may borrow sufficient funds for cash purposes from special funds that otherwise provide support for the board. Any such loans are to be repaid with interest at the rate earned in the Pooled Money Investment Account.

SEC. 18. Item 3940-001-0193 of Section 2.00 of the Budget Act of 2005 is amended to read:

3940-001-0193—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Waste Discharge Permit Fund..... 57,818,000

SEC. 19. Item 5180-111-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

5180-111-0001—For local assistance, Department of Social Services..... 4,759,353,000
 Schedule:
 (1) 16.70-SSI/SSP..... 3,524,955,000
 (2) 25.15-IHSS..... 3,762,122,000
 (3) Reimbursements..... -2,527,724,000
 Provisions:
 1. Provisions 1 and 4 of Item 5180-101-0001 also apply to this item.

2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed \$195,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share or reimbursable share, or both, of costs of a program(s) when the federal funds or reimbursements (from the Health Care Deposit Fund or counties) have not been received by this state prior to the usual time for transmitting payments for the federal or reimbursable share of costs for this state. That loan from the General Fund shall be repaid when the federal share of costs for the program(s) becomes available, or in the case of reimbursements, subject to Section 16351 of the Government Code. County reimbursements also shall be subject to Section 16314 of the Government Code, which specifies the rate of interest. The department may offset a county's share of cost of the In-Home Supportive Services (IHSS) program against local assistance payments made to the county if the county fails to reimburse its share of cost of the IHSS program to the state.
3. The State Department of Social Services shall provide technical assistance to counties to ensure that they maximize the receipt of federal funds for the IHSS program, without compromising the quality of the services provided to IHSS recipients.
4. Funds appropriated in this item for the management, including, as needed, procurement, design, development, testing, implementation, and oversight of the Case Management Information and Payrolling System (CMIPS) project shall be transferred to Item 0530-001-9732 upon order of the Department of Finance.

SEC. 20. Item 6110-485 of Section 2.00 of the Budget Act of 2005 is amended to read:

6110-485—Reappropriation (Proposition 98), Department of Education. The sum of \$306,741,000 is hereby reappropriated from the Proposition 98 Reversion Account, for the following purposes:
0001—General Fund

- (1) \$183,508,000 to the School Facilities Program for the purpose of funding the School Facilities Emergency Repair Account as required by Chapter 899 of the Statutes of 2004.
- (2) \$10,000,000 to the State Department of Education for the purpose of funding CalWORKs Stage 3 child care.
- (3) \$6,385,000 to the State Department of Education, for payment of Sunnyvale Desegregation claims and interest owed through the 1991-92 fiscal year. The funding shall not be provided for payment of claims and interest and shall be reverted to the General Fund if an appropriation is included in a claims bill for this purpose during the 2005-06 Regular Session.
- (4) \$1,050,000 on a one-time basis to the State Department of Education for the purpose of funding a pilot program to provide training for School Business Officers.
- (5) \$354,000 to the State Department of Education, for transfer by the Controller to Section A of the State School Fund, for payment of prior year child nutrition claims of \$335,000 in 2003-04, \$17,000 in 2000-01, and \$2,000 in 1999-00 fiscal years.
- (6) \$2,227,000, on a one-time basis, to the State Department of Education to cover start-up costs associated with the new California English Language Development Test contract.
- (7) \$9,000,000 to the State Department of Education, on a one-time basis, for the Charter School Facility Grant Program.
- (8) \$53,757,000 to the Controller to pay for prior year state obligations for K-12 mandate claims and interest.
- (9) \$18,200,000 on a one-time basis to the State Department of Education for providing fruits and vegetables to schools pursuant to legislation enacted during the 2005–06 Regular Session.
- (10) Up to \$49,500,000 to the Superintendent of Public Instruction for purposes of the allocations specified pursuant to Provision 3.

Provisions:

1. The funds specified in Schedule (7) shall be used to provide grants to charter schools that operate in low-income attendance areas for facilities-related expenses pursuant to Section 3 of Chapter 892 of the Statutes of 2001. No charter school receiving funds under this program shall receive funding in excess of 75 percent of annual lease costs through this program or any other source of funding provided in this or any other act.
2. The funds specified in Schedule (8) shall go to the Controller, who shall use the funds to pay for the oldest claims of those no longer subject to audit pursuant to subdivision (a) of Section 17558.5 of the Government Code, including accrued interest. No payments shall be made from the funds on any claims for the Standardized Testing and Reporting (STAR) Program, schoolsite councils, Brown Act reform, School Bus Safety II, or the removal of chemicals.
3. The governing board of a school district that has a school or schools that are ranked in deciles 1 to 3, inclusive, of the 2004 base Academic Performance Index, as defined in Section 52052 of the Education Code, may apply for funding specified in Schedule (10) for one or more such qualifying schools.
 - (a) As a condition of receipt of funds, the district governing board shall adopt a plan for use of the funds within the qualifying schools. The plan must be discussed and adopted at a regularly scheduled governing board meeting.
 - (b) Each applicant district shall receive fifty dollars (\$50) per pupil based upon the number of pupils in qualifying schools within the district.
 - (c) The funds shall be used for the purposes of improving the educational culture and environment at those schools, which may include, but are not limited to, the following specific purposes:
 - (1) Assuring a safe, clean school environment for teaching and learning.
 - (2) Providing support services for students, and teachers.

- (3) Activities, including differential compensation, focused on the recruitment and retention at those schools of teachers who meet the definition of a highly qualified teacher under the No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).
- (4) Activities, including differential compensation, focused on the recruitment and retention at those schools of highly skilled principals.
- (5) Small group instruction.
- (6) Providing time for teachers and principals to collaborate regarding improving academic outcomes for students.
- (d) To the extent that funding is insufficient to fund all eligible applicants, the amount provided shall be prorated to conform to available funds.
- (e) Of the funds specified in Schedule (10), \$3,000,000 shall be available for allocation to a County Office of Education on a competitive basis for the purpose of contracting, on a competitive basis, with an outside entity for the purpose of recruiting highly qualified teachers to qualifying schools in deciles 1 to 3, inclusive, based on the 2004 Academic Performance Index.

SEC. 21. Item 6110-495 of Section 2.00 of the Budget Act of 2005 is amended to read:

6110-495—Reversion, Department of Education, Proposition 98. The following amounts shall be reverted to the Proposition 98 Reversion Account by the State Controller within 60 days of enactment of this act:

0001—General Fund

- (1) \$1,111,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-123-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (2) \$1,812,000 or whatever lesser or greater amount reflects unexpended funds from Item 6110-126-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

- (3) \$21,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-156-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (4) \$211,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-166-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (5) \$50,000 or whatever lesser or greater amount reflects unexpended funds from Item 6110-177-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (6) \$66,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-191-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
- (7) \$127,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-191-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (8) \$545,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-195-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (9) \$24,396,000 or whatever the greater or lesser amount reflects the unencumbered balance of the amount appropriated for child care and development programs in Item 6110-196-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (10) \$78,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-197-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (11) \$1,030,000 or whatever lesser or greater amount reflects unexpended funds from Item 6110-203-0001, Budget Act of 2004 (Ch. 208, Stats. 2004).
- (12) \$27,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-209-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (13) \$451,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-211-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

- (14) \$110,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (4) of Item 6110-485, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (15) \$22,000 from the appropriation made by paragraph (9) of subdivision (a) of Section 83 of Chapter 4 of the Statutes of 2003, First Extraordinary Session.
- (16) \$4,600,000 or whatever greater or lesser amount reflects unexpended funds from Item 6110-134-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
- (17) \$1,013,000 or whatever greater or lesser amount reflects unexpended funds from Item 6110-229-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
- (18) \$8,000,000 or whatever greater or lesser amount reflects unexpended funds from paragraph (1) of subdivision (a) of Section 1 of Chapter 101 of the Statutes of 2002.
- (19) \$119,000 or whatever lesser or greater amount reflects unexpended funds from Item 6110-201-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
- (20) \$701,000 or whatever lesser or greater amount reflects unexpended funds from paragraph (4) of subdivision (a) of Section 50 of Chapter 1167 of the Statutes of 2002.
- (21) \$3,000,000 or whatever greater or lesser amount reflects unexpended funds from Section 11 of Chapter 10 of the Statutes of 2003, First Extraordinary Session.
- (22) \$702,000 or whatever lesser or greater amount reflects unexpended funds from Item 6110-235-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (23) \$1,481,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-166-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
- (24) \$194,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-122-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
- (25) \$398,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-122-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).

- (26) \$10,000,000 of the balance in the Child Care Facilities Revolving Fund established pursuant to Section 8278.3 of the Education Code.
- (27) \$1,981,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-166-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (28) \$1,300,000 from Item 6110-144-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).
- (29) \$8,726,000 or whatever lesser or greater amount reflects the unexpended funds from paragraph (3) of subdivision (a) of Section 50 of Chapter 1167 of the Statutes of 2002.
- (30) \$61,568 or whatever greater or lesser amount reflects unexpended funds from Schedule (42) of Item 6110-485 of the Budget Act of 2001 (Ch. 106, Stats. 2001), as added by Section 48 of Chapter 1 of the Statutes of 2002, Third Extraordinary Session.
- (31) \$650,874 or whatever greater or lesser amount reflects unexpended funds from Schedule (1) of Item 6110-111-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (32) \$156,788 or whatever greater or lesser amount reflects unexpended funds from Item 6110-112-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (33) \$243,780 or whatever greater or lesser amount reflects unexpended funds from Schedule (5) of Item 6110-113-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (34) \$542,174 or whatever greater or lesser amount reflects unexpended funds from Schedule (6) of Item 6110-113-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (35) \$292,458 or whatever greater or lesser amount reflects unexpended funds from Item 6110-120-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (36) \$77,120 or whatever greater or lesser amount reflects unexpended funds from Schedule (3) of Item 6110-123-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (37) \$56,005 or whatever greater or lesser amount reflects unexpended funds from Item 6110-126-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).

- (38) \$513,842 or whatever greater or lesser amount reflects unexpended funds from Item 6110-127-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (39) \$13,250 or whatever greater or lesser amount reflects unexpended funds from Item 6110-137-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (40) \$507 or whatever greater or lesser amount reflects unexpended funds from Item 6110-140-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (41) \$2,581 or whatever greater or lesser amount reflects unexpended funds from Schedule (1) of Item 6110-156-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (42) \$929,199 or whatever greater or lesser amount reflects unexpended funds from Schedule (1) of Item 6110-161-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (43) \$47,985 or whatever greater or lesser amount reflects unexpended funds from Schedule (2) of Item 6110-161-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (44) \$10,826 or whatever greater or lesser amount reflects unexpended funds from Item 6110-163-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (45) \$24,873 or whatever greater or lesser amount reflects unexpended funds from Item 6110-167-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (46) \$5,317 or whatever greater or lesser amount reflects unexpended funds from Item 6110-189-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (47) \$499 or whatever greater or lesser amount reflects unexpended funds from Item 6110-191-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (48) \$9,438 or whatever greater or lesser amount reflects unexpended funds from Schedule (3) of Item 6110-193-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (49) \$14,244 or whatever greater or lesser amount reflects unexpended funds from Schedule (2) of Item 6110-193-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).

- (50) \$1,335,625 or whatever greater or lesser amount reflects unexpended funds from Schedule (1) of Item 6110-198-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (51) \$2,266,669 or whatever greater or lesser amount reflects unexpended funds from Schedule (3) of Item 6110-198-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (52) \$4,352,385 or whatever greater or lesser amount reflects unexpended funds from Schedule (2) of Item 6110-198-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (53) \$9,298 or whatever greater or lesser amount reflects unexpended funds from Schedule (1) of Item 6110-226-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (54) \$472 or whatever greater or lesser amount reflects unexpended funds from Item 6110-229-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (55) \$75,570 or whatever greater or lesser amount reflects unexpended funds from Item 6110-240-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (56) \$601 or whatever greater or lesser amount reflects unexpended funds from Schedule (6) of Item 6110-485 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (57) \$10,284 or whatever greater or lesser amount reflects unexpended funds from Schedule (5) of Item 6110-485 of the Budget Act of 2002 (Ch. 379, Stats. 2002).
- (58) \$18,060 or whatever greater or lesser amount reflects unexpended funds from subdivision (b) of Section 72 of Chapter 4 of the Statutes of 2003, First Extraordinary Session.
- (59) \$9,386 or whatever greater or lesser amount reflects unexpended funds from paragraph (3) of subdivision (a) of Section 1 of Chapter 101 of the Statutes of 2002.
- (60) \$1,292,454 or whatever greater or lesser amount reflects unexpended funds from paragraph (4) of subdivision (a) of Section 1 of Chapter 101 of the Statutes of 2002.
- (61) \$35,220 or whatever greater or lesser amount reflects unexpended funds from Chapter 704 of the Statutes of 2000.

- (62) \$9,332 or whatever greater or lesser amount reflects unexpended funds from appropriations for the 2003–04 fiscal year from Proposition 227 as approved by the voters at the November 3, 1998, statewide general election.
- (63) \$169,776 or whatever greater or lesser amount reflects unexpended funds from Item 6110-120-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (64) \$25,904,057 or whatever lesser amount reflects unexpended funds from Schedule (1) of Item 6110-161-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (65) \$2,695,943 or whatever greater or lesser amount reflects unexpended funds from Schedule (2) of Item 6110-161-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (66) \$2,855 or whatever greater or lesser amount reflects unexpended funds from Schedule (3) of Item 6110-193-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (67) \$51,984 or whatever greater or lesser amount reflects unexpended funds from Schedule (1) of Item 6110-240-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (68) \$90,111 or whatever greater or lesser amount reflects unexpended funds from Item 6110-243-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (69) \$328,112 or whatever greater or lesser amount reflects unexpended funds from Schedule (4) of Item 6110-485 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (70) \$222 or whatever greater or lesser amount reflects unexpended funds from Schedule (6) of Item 6110-485 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- (71) \$223,023 or whatever greater or lesser amount reflects unexpended funds from paragraph (9) of subdivision (a) of Section 83 of Chapter 4 of the Statutes of 2003, First Extraordinary Session.
- (72) \$11,636,352 or whatever greater or lesser amount reflects unexpended funds from paragraph (5) of subdivision (a) of Section 83 of Chapter 4 of the Statutes of 2003, First Extraordinary Session.

- (73) \$2,079,182 or whatever greater or lesser amount reflects unexpended funds from paragraph (5) of subdivision (a) of Section 83 of Chapter 4 of the Statutes of 2003, First Extraordinary Session.
- (74) \$1,535 or whatever greater or lesser amount reflects unexpended funds from paragraph (1) of subdivision (a) of Section 83 of Chapter 4 of the Statutes of 2003, First Extraordinary Session.
- (75) \$5,000,000 or whatever greater or lesser amount reflects unexpended funds from Item 6110-144-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).
- (76) \$1,000,000 or whatever greater or lesser amount reflects unexpended funds from Schedule (3) of Item 6110-228-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).
- (77) \$400 or whatever greater or lesser amount reflects unexpended funds from Schedule (9) of Item 6110-485 of the Budget Act of 2004 (Ch. 208, Stats. 2004).
- (78) \$3,000,990 or whatever greater or lesser amount reflects unexpended funds from Schedule (17) of Item 6110-485 of the Budget Act of 2004 (Ch. 208, Stats. 2004).
- (79) \$31,000,000 or whatever lesser amount reflects unexpended funds from Item 6110-234-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).
- (80) \$22,652,000 or whatever greater or lesser amount reflects unexpended funds from Section 37 of Chapter 71 of the Statutes of 2000.
- (81) \$22,690,000 or whatever greater or lesser amount reflects unexpended funds from Schedule (3) of Item 6110-196-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002).

SEC. 22. Item 6440-001-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

6440-001-0001—For support of University of California	2,618,386,000
Schedule:	
(1) Support.....	2,534,890,000
(2) Charles R. Drew Medical Program.....	8,738,000
(3) Acquired Immune Deficiency Syndrome (AIDS) Research.....	9,214,000
(4) Student Financial Aid.....	52,199,000
(5) Loan Repayments.....	5,105,000

(6) San Diego Supercomputer Center.....	3,240,000
(7) Subject Matter Projects.....	5,000,000

Provisions:

1. The appropriations made in this item are exempt from Section 31.00 of this act.
2. None of the funds appropriated in this item may be expended to initiate major capital outlay projects by contract without prior legislative approval, except for cogeneration and energy conservation projects. Exempted projects shall be reported in a manner consistent with the reporting procedures in subdivision (d) of Section 28.00 of this act.
3. The funds appropriated in Schedule (2) are for support of University of California program of clinical health sciences education, research, and public service, conducted in conjunction with the Charles R. Drew University of Medicine and Science, as provided for in Sections 1, 2, and 3 of Chapter 1140 of the Statutes of 1973. Of the amount appropriated, \$500,000 is contingent upon the provision by the University of California of an equal amount of matching funds from its own resources. The University of California shall ensure by adequate controls that funds appropriated by Schedule (2) are expended solely for the support of the program identified in that schedule.
4. Of the amount appropriated in Schedule (1), \$2,629,957 shall be available for expenditure only for support of the Northern and Southern Occupational Health Centers as established by a contract entered into with the Department of Industrial Relations pursuant to Section 50.8 of the Labor Code.
5. The funds appropriated in Schedule (4) are for support of Program 45, Student Financial Aid, to provide financial aid to needy students attending the University of California, according to the nationally accepted needs analysis methodology.
6. Of the amount appropriated in Schedule (1), \$7,462,800 is for payment of energy service contracts in connection with the issuance of Public Works Board Energy Efficiency Revenue Bonds.

7. Of the amount appropriated in Schedule (5), \$2,700,000 is for repayment of \$25,000,000 borrowed by the University of California for deferred maintenance in the 1994–95 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2009–10 fiscal year.
8. Of the amount appropriated in Schedule (5), \$2,405,000 is for repayment of \$25,000,000 borrowed by the University of California for deferred maintenance in the 1995–96 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2010–11 fiscal year.
12. It is the intent of the Legislature that the University of California report by April 1, 2006, on the outcomes and effectiveness of COSMOS, consistent with the accountability framework developed by the University of California for student academic preparation and education programs in April 2005.
13. The amount appropriated in Schedule (1) includes funding for the University of California at Berkeley, Institute for Governmental Studies, to support the Welfare Policy Research Project, per Article 9.7 (commencing with Section 11526) of Chapter 2 of Part 3 of the Welfare and Institutions Code.
17. Notwithstanding Section 3.00, for the term of the financing, the University of California may use funds appropriated in Schedule (1) for debt services and costs associated with the purchase, renovation, and financing of a facility for the UC-Mexico research and academic programs in Mexico City. The amount to be financed shall not exceed \$7,000,000.
18. The funds appropriated in Schedule (7) are for support of the Subject Matter Projects.

21. Of the amount appropriated in Schedule (1), \$17,300,000 is appropriated for student academic preparation and education programs (SAPEP) matched with \$12,000,000 from existing university resources for a total of \$29,300,000 for these programs. The University of California will provide a plan to the Department of Finance and the fiscal committees of the Legislature for expenditure of both state and university funds for SAPEP by September 1, 2005. It is the intent of the Legislature that the university report on the use of state and university funds provided for these programs, including detailed information on the outcomes and effectiveness of academic preparation programs consistent with the accountability framework developed by the University of California in April 2005. The report should be submitted to the fiscal committee of each house of the Legislature by no later than April 1, 2006.
22. Of the amount provided in Schedule (1), \$750,000 is appropriated for math and science resource centers to improve the quality and supply of science and mathematics teachers.
23. The amount appropriated in Schedule (1) includes funding for the University of California to enroll 205,976 full-time equivalent (FTE) students (excluding students in nonstate supported summer instruction programs). The Legislature expects the University of California to enroll this number of FTE students during the 2005–06 academic year. The University of California shall report to the Legislature by March 15, 2006, on whether it has met the 2005–06 enrollment goal. This report shall exclude FTE students in nonstate supported summer instruction programs. If the University of California does not meet its enrollment goal, the Director of Finance shall revert to the General Fund by April 1, 2006, the total amount of enrollment funding associated with the share of the enrollment goal that was not met.

24. Of the amount appropriated in Schedule (1), \$300,000 shall be used to support 20 full-time equivalent students in the Program in Medical Education for the Latino Community (PRIME-LC). The primary purpose of this program is to train physicians specifically to serve in underrepresented communities. The University of California shall report to the Legislature by March 15, 2006, on (a) its progress in implementing the PRIME-LC program and (b) the use of the total funds provided for this program from both state and nonstate resources.
25. Of the funds appropriated in Schedule (1), \$31,664,000 shall be expended for the purposes identified in Provisions 12 to 21, inclusive, of Item 6440-001-0001 of Section 2.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003), and shall be allocated in proportion to the amounts designated in those provisions.

SEC. 23. Item 6610-001-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

6610-001-0001—For support of the California State University..... 2,554,085,250

Schedule:

(1) Support.....	3,978,663,250
(3) Reimbursements.....	-186,032,000
(4) Amount payable from the Higher Education Fees and Income, CSU Fund (Item 6610-001-0498).....	-1,212,546,000
(5) Amount payable from the 2004 Higher Education Capital Outlay Bond Fund (Item 6610-001-6041).....	-26,000,000

Provisions:

1. The appropriations made in this item are exempt from Section 31.00 of this act, except as otherwise provided by the applicable sections of the Government Code referred to in Section 31.00.

2. Of the amount appropriated in this item, \$350,000 is for transfer to the Affordable Student Housing Revolving Fund for the purpose of subsidizing interest costs in connection with bond financing for construction of affordable student housing at the Fullerton and Hayward campuses in accordance with Article 3 (commencing with Section 90085) of Chapter 8 of Part 55 of the Education Code.
3. Of the amount appropriated in this item, \$1,878,000 is for repayment of the \$17,000,000 financed for the California State University through a third party for deferred maintenance projects in the 1994–95 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2009–10 fiscal year.
4. Of the amount appropriated in this item, \$2,309,000 is for repayment of the \$24,000,000 financed for the California State University through a third party for deferred maintenance projects in the 1995–96 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2010–11 fiscal year.
5. Of the amount appropriated in this item, \$33,785,000 is provided for student financial aid grants. These financial aid funds shall be provided to needy students according to the nationally accepted needs analysis methodology.
8. Of the amount appropriated in Schedule (1), \$52,000,000 is provided for student academic preparation and student support services programs. The university will provide \$45,000,000 and the state will provide \$7,000,000 to support the Early Academic Assessment Program, Campus-Based Outreach Programs and the Educational Opportunity Program. It is the intent of the Legislature that the university report on the outcomes and effectiveness of the Early Academic Assessment Program to the fiscal committees of each house of the Legislature no later than March 15, 2006.

9. Of the amount provided in Schedule (1), \$250,000 is appropriated to enable the California State University (CSU) to work with the University of California (UC) to coordinate the development of curriculum and services for four-year blended credential programs for math and science majors at CSU campuses to complement UC's effort to improve the number and quality of math and science teachers.
10. The amount appropriated in Schedule (1) includes funding for the California State University to enroll 332,223 full-time equivalent (FTE) students (excluding students in nonstate supported summer instruction programs). The Legislature expects the university to enroll this number of FTE students during the 2005–06 academic year. The university shall provide a preliminary report to the Legislature by March 15, 2006, and a final report by May 1, 2006, on whether it has met the 2005–06 enrollment goal. These reports shall exclude FTE students in nonstate supported summer instruction programs. If the university does not meet its enrollment goal, the Director of Finance shall revert to the General Fund by May 15, 2006, the total amount of enrollment funding associated with the share of the enrollment goal that was not met.
11. Of the amount appropriated in Schedule (1), \$4,000,000 is to support the development of entry-level master's degree programs in nursing, pursuant to Article 8 (commencing with Section 89270) of Chapter 2 of Part 55 of Title 3 of the Education Code.

SEC. 24. Item 6610-493 of Section 2.00 of the Budget Act of 2005 is amended to read:

6610-493—Reappropriation, California State University.

Notwithstanding any other provision of law, the balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, in those appropriations:

6028—Higher Education Capital Outlay Bond Fund of 2002

- (1) Item 6610-301-6028, Budget Act of 2002 (Ch. 379, Stats. 2002)
Humboldt Campus:

(5.5) 06.67.087.202-Humboldt: Behavioral and Social Sciences Phase I—Construction
6028—2004 Higher Education Capital Outlay Bond Fund

(1) Item 6610-301-6041, Budget Act of 2004 (Ch. 208, Stats. 2004)

(1.7) 06.54.081-Dominguez Hills: Educational Resource Center Addition—Preliminary plans and working drawings

(3) 06.74.007-Monterey Bay: Infrastructure Improvements—Preliminary plans, working drawings and construction

SEC. 25. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98)..... 3,153,227,000

Schedule:

(1) 10.10.010-Appportionments..... 2,462,948,000

(2) 10.10.020-Basic Skills and Apprenticeship..... 43,453,000

(3) 10.10.030-Growth for Appportionments..... 136,709,000

(4) 20.10.005-Student Financial Aid Administration..... 51,600,000

(5) 20.10.020-Disabled Students..... 91,191,000

(6) 20.10.045-Special Services for CalWORKs Recipients..... 34,603,000

(7) 20.10.060-Foster Care Education Program..... 4,754,000

(8) 20.10.070-Matriculation..... 66,332,000

(9) 20.20.020-Academic Senate for the Community Colleges..... 467,000

(10) 20.20.041-Equal Employment Opportunity pursuant to Ch. 1169, Statutes of 2002..... 1,747,000

(11) 20.20.050-Part-time Faculty Health Insurance..... 1,000,000

(12) 20.20.051-Part-time Faculty Compensation..... 50,828,000

(13) 20.20.055-Part-time Faculty Office Hours..... 7,172,000

(14) 20.30.011-Telecommunications and Technology Services..... 24,397,000

(15) 20.30.050-Economic Development.....	35,790,000
(16) 20.30.070-Transfer Education and Articulation.....	1,974,000
(17) 20.40.026-Physical Plant and Instructional Support.....	27,345,000
(18) 20.10.010-Extended Opportunity Programs and Services and Special Services.....	104,759,000
(19) 20.30.045-Fund for Student Success.....	6,158,000

Provisions:

1. The funds appropriated in Schedules (1), (2), (3), (4), (5), (6), (7), (8), (10), (11), (12), (13), \$22,050,000 in Schedule (14), (15), (17), and (18) are for transfer by the Controller during the 2005-06 fiscal year to Section B of the State School Fund.
2. The amount appropriated in Schedule (1) reflects the intent of the Legislature to defer \$200,000,000 for apportionments to the 2006-07 fiscal year, pursuant to separate legislation enacted for the 2005-06 fiscal year.
3. Notwithstanding any other provision of law or regulation, apportionment funding for community college districts shall be based on the greater of the current year or prior year level of full-time-equivalent students (FTES), consistent with K-12 declining enrollment practices pursuant to Section 42238.5 of the Education Code. Decreases in FTES shall result in a revenue reduction at the district's average level of apportionment funding per FTES and shall be made in the year following the initial year of decrease in FTES.

- 4.7. The amount appropriated in Schedule (1) includes a restored amount of \$31,409,000 to encourage district-level accountability efforts. The Chancellor of the California Community Colleges shall allocate these funds to community college districts in the same amounts that were reduced from each district pursuant to budget reductions related to Partnership for Excellence funds in the 2004-05 fiscal year. The allocation of these funds shall be contingent on the enactment of legislation during the 2005-06 Regular Session that establishes a program for district-specific reporting and evaluation of educational outcomes in response to Chapter 581 of the Statutes of 2004. It is intended that the first report for the district-specific accountability system be provided by March 31, 2007, reflecting outcomes from the 2005-06 fiscal year in context as specified in the enacted legislation. In addition, the chancellor shall provide preliminary data to the Department of Finance and the Legislative Analyst's Office by January 31, 2007.
5. Of the funds appropriated in Schedule (1), Apportionments:
- (a) Up to \$100,000 is for a maintenance allowance, pursuant to regulations adopted by the board of governors.
 - (b) Up to \$500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date.
 - (c) Notwithstanding any other provision of law or regulation, the Chancellor of the California Community Colleges shall not reduce district workload obligations for a lack of a funded cost-of-living adjustment.
- 5.5. Of the amount appropriated in Schedule (1), \$10,000,000 shall be used to provide additional support for nursing program enrollment and equipment needs.

- (a) The Board of Governors of the California Community Colleges shall develop a Request for Applications (RFA) to allocate the funds appropriated in this subdivision to community college districts. Criteria for assessing the RFA shall include, but not be limited to, all of the following:
 - (1) The degree to which the funds provided would be used to increase student enrollments in nursing programs, beyond the level of full-time equivalent students (FTES) served in 2004-05.
 - (2) An agreement by the community college district to have either adopted, or initiated a validation study and plan to adopt, the model prerequisites described in the community colleges Registered Nurse and Licensed Vocational Nurse model prerequisites validation studies.
 - (3) The degree to which funds provided would be used to support infrastructure or equipment needs with the intent of building capacity and increasing the number of nursing students served.
- (b) On or before March 1, 2006, the Chancellor of the California Community Colleges shall provide the Legislature and the Department of Finance with a report on the allocation of funding. For each district receiving funding under this item, the report shall indicate (1) the amount of funding received, (2) the number of nursing FTES served in 2004-05, and the additional number of nursing FTES to be served with funding provided by this item, (3) the status of the district's efforts to adopt merit-based admissions criteria, and (4) any equipment or infrastructure-related items acquired with the funds appropriated in this item.

6. Notwithstanding any other provision of law, \$30,724,000 of the funds appropriated in Schedule (2) is for allocation to community college districts in the 2005-06 fiscal year for the purposes of funding full-time-equivalent students (FTES) in courses in basic skills, including English-as-a-second-language courses and workforce preparation courses for newly legalized immigrants, to the extent the total FTES claimed by a district for the 2005-06 fiscal year exceeds the level of total FTES funded for that district in the 2005-06 fiscal year. The Chancellor of the California Community Colleges shall develop criteria for allocating these funds.
- 6.5. Of the funds appropriated in Schedule (1), \$30,000,000 is for equalization pursuant to this provision, and shall be allocated according to the formula specified in Chapter 216 of the Statutes of 2004. These funds shall not be considered to be Program Improvement funds pursuant to Title 5 regulations.
- 6.6. It is the intent of the Legislature to provide funding to community colleges for career technical education programs through legislation to be enacted during the 2005-06 Regular Session which is effective on or before January 1, 2006, pursuant to Section 24.50.
7. Of the funds appropriated in Schedule (2), the funds not required for the 2005-06 fiscal year to meet the demand for the program funded under that schedule shall be made available on a one-time basis for general apportionment under Schedule (1) of this item, provided that no transfer shall occur prior to May 15, 2006.
8. (a) Of the amount appropriated in Schedule (2), up to \$12,729,000 shall be available as necessary upon certification by the Chancellor of the California Community Colleges for the purpose of funding community college-related and supplemental instruction pursuant to Section 3074 of the Labor Code as provided in Section 8152 of the Education Code. No community college district shall use funds available under this provision to offer any new apprenticeship training program or the expansion of any existing program unless the new program or expansion has been approved by the chancellor.

- (b) Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of four dollars and eighty-six cents (\$4.86) per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.
- 9. Notwithstanding any other provision of law, funds appropriated in Schedule (3) of this item shall only be allocated for growth in full-time-equivalent students (FTES), on a district-by-district basis, as determined by the Chancellor of the California Community Colleges. The chancellor shall not include any FTES from concurrent enrollment in physical education, dance, recreation, study skills, and personal development courses and other courses in conflict with existing law for the purpose of calculating a district's three-year overcap adjustment. The board of governors shall implement the criteria required by Provision 5(a) of Item 6870-101-0001 of the Budget Act of 2003 for the allocation of funds appropriated in Schedules (1) and (3), so as to assure that courses related to student needs for transfer, basic skills and vocational/workforce training are accorded the highest priority and are provided to the maximum extent possible within budgeted funds.
- 10.5. (a) Of the funds appropriated in Schedule (4), not less than \$9,291,000 is available to provide \$0.91/unit reimbursement to community college districts for the provision of Board of Governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
- (b) Of the funds appropriated in Schedule (4), not less than \$5,309,000 is available to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

- (c) (1) Of the amount appropriated in Schedule (4), \$2,800,000 shall be for a contract with a community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (1) the California Community Colleges remain affordable; (2) financial aid and tax credits are available to cover enrollment fees and help with books and other costs; and (3) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact telephone number, an Internet address, where applicable, and the physical location of a financial aid office. Any mail campaign must give priority to existing pupils, recent high school graduates, and 12th graders. The outreach and information campaign should target its efforts in high schools, welfare offices, unemployment offices, churches, community centers, and any other location that will most effectively reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult with the Chancellor of the California Community Colleges and the Student Aid Commission prior to performing any activities to ensure appropriate coordination with any other state efforts in this area and ensure compliance with this provision.

- (2) Of the amount appropriated in Schedule (4), not more than \$34,200,000 shall be for direct contact with potential and current financial aid applicants. Each CCC campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting full-time-equivalent students (FTES) weighted by a measure of low-income populations as demonstrated by BOG fee waiver program participation within a district. It is the intent of the Legislature, to the extent that funds are provided in this section, that all campuses provide additional staff resources to increase both financial aid participation and student access to low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. Funds may be used for screening current students for possible financial aid eligibility and offering these students personal assistance in accessing financial aid, providing individual help in multiple languages for families and students in filling out the necessary paperwork to apply for financial aid, and increasing financial aid staff to process additional financial aid forms.
- (3) Funds allocated to a community college district for financial aid personnel, outreach determination of financial need, and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001-02 fiscal year.

- (4) It is the intent of the Legislature that the Chancellor's Office of the California Community Colleges provide the Legislature with a report by no later than April 1, 2006, on the use of the funds allocated pursuant to Provision 10(b), including the distribution of the funds, specific uses of the funds, strategies employed to reach low-income and disadvantaged students potentially eligible for financial aid, and the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.
 - (5) It is the intent of the Legislature that the Chancellor of the California Community Colleges report by September 1, 2005, pursuant to Provision 10(b)(5) of Item 6870-101-0001 of the Budget Act of 2004, on the impact of fee increases and outreach efforts on student headcount and FTES enrollment for the 2003 and 2004 academic years.
11. Of the funds appropriated in Schedule (18), \$91,287,000 is for Extended Opportunity Programs and Services (EOPS) in accordance with Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of the Education Code. Funds provided in this item for EOPS shall be available to students on all campuses within the California Community College system, including those students on new campuses or in new districts. \$13,495,000 is for funding, at all colleges, the Cooperative Agencies Resources for Education (CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of the Education Code. The Board of Governors of the California Community Colleges shall allocate funds on a priority basis and to local programs on the basis of need for student services.
12. Of the funds appropriated in Schedule (19), \$6,158,000 is for additional targeted student services, to be expended as follows:

- (1) \$1,921,000 is for the Puente Project to support up to 75 colleges. These funds are available if matched by \$200,000 of private funds and the participating community colleges and University of California campuses maintain their 1995-96 support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.
 - (2) Up to \$2,459,000 is for the Mathematics, Engineering and Science Achievement (MESA) Program. For each dollar allocated, the recipient district shall provide one dollar in matching funds.
 - (3) No less than \$1,778,000 is for the Middle College High School Program. With the exception of fully compliant special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment. Further, no community college state apportionment shall be made available for physical education classes, noncredit classes, nor other courses specified in Provision 9.
13. (a) The funds appropriated in Schedule (5) are for assisting districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges, and for state hospital programs, as mandated by federal law.
- (b) Of the amount appropriated in Schedule (5), \$3,945,000 shall be used to address deficiencies identified by the federal Office of Civil Rights (OCR), as determined by the Chancellor's Office of the California Community Colleges.

- (c) Of the amount appropriated in Schedule (5) at least \$943,000 shall be used for support of the High Tech Centers for activities including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled. All High Tech Centers shall meet standards developed by the chancellor's office. Colleges that receive these augmentations shall not supplant existing resources provided to the centers.
- (d) Notwithstanding any other provision of law, of the funds appropriated in Schedule (5) of this item, \$1,702,000 shall be for state hospital adult education programs at the hospitals served by the Coast, Kern, and West Valley Community College Districts since the 1986-87 fiscal year. If adult education services at any of the three hospitals are not supported by the community colleges in the 2005-06 fiscal year, the associated funds shall, upon order of the Department of Finance, after 30 days' notice to the Chairperson of the Joint Legislative Budget Committee, be transferred to the State Department of Developmental Services (DDS). For any transfer of funds to DDS during the 2005-06 fiscal year, the Proposition 98 base funding levels for community colleges and DDS shall be adjusted accordingly.

14. The funds appropriated in Schedule (6), Special Services for CalWORKs recipients, are for the purpose of assisting welfare recipient students and those in transition off of welfare to achieve long-term self-sufficiency through coordinated student services offered at community colleges, including: workstudy, other educational related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. All services funded in Schedule (6) shall be for current CalWORKs recipients or prior CalWORKs recipients who are in transition off of cash assistance for no more than two years. Current cash assistance recipients may utilize these services until their initial educational objectives are met. Former recipients in transition off of cash assistance may utilize these services for a period of up to two years after leaving cash assistance subject to the conditions of this provision. These funds shall be used to supplement and not supplant existing funds and services provided for CalWORKs recipients attending community colleges. The Chancellor of the California Community Colleges shall develop an equitable method for allocating funds to all districts and colleges based on the relative numbers of CalWORKs recipients in attendance and shall allocate funds for the following purposes:
- (a) Job placement.
 - (b) Coordination with county welfare offices and other local agencies, including local workforce investment boards.
 - (c) Curriculum development and redesign.
 - (d) Child care and workstudy.
 - (e) Instruction.
 - (f) Postemployment skills training and related skills.
- Of the amount appropriated in Schedule (6) of this item, \$15,000,000 shall be for child care and shall not require a district match. For the remaining funds, districts shall, as a condition of receipt of these funds, provide a \$1 match for every \$1 provided by the state.

Funds utilized for subsidized child care shall be for children of CalWORKs recipients through campus-based centers or parental choice vouchers at rates and with rules consistent with those applied to related programs operated by the State Department of Education in the 2005-06 fiscal year, including eligibility, reimbursement rates, and parental contribution schedules. Subsidized campus child care for CalWORKs recipients may be provided during the period they are engaged in qualifying state and federal work activities through attainment of their initial education and training plan and for up to three months thereafter or until the end of the academic year, whichever period of time is greater.

Funds utilized for workstudy shall be used solely for payments to employers that currently participate in campus-based workstudy programs or are providing work experiences that are directly related to and in furtherance of student educational programs, provided that those payments may not exceed 75 percent of the wage for the workstudy positions, and the employers shall pay at least 25 percent of the wage for the workstudy position. These funds may be expended only if the total hours of education, employment, and workstudy for the student are sufficient to meet both state and federal minimum requirements for qualifying work-related activities.

Funds may be used to provide credit or noncredit classes for CalWORKs students if a district has committed all of its funded full-time-equivalent students (FTES) and is unable to offer the additional instructional services to meet the demand for CalWORKs students. This determination shall be based on fall enrollment information. Districts shall submit applications to the chancellor's office by October 15 of each year. If the chancellor approves the use of funds for direct instructional workload, the chancellor's office shall submit a report to the Department of Finance and the Joint Legislative Budget Committee by November 15, 2005, that (1) identifies the enrollment of new CalWORKs students, (2) states whether and why additional classes were needed to accommodate the needs of CalWORKs students, and (3) sets forth an expenditure plan for the balance of funds.

As a condition of receipt of the funds appropriated in Schedule (6), by the fourth week following the end of the semester or quarter term commencing in January 2006, each participating community college shall submit to the chancellor's office a report, in the format specified by the chancellor in consultation with the State Department of Social Services, that includes, but is not limited to, the funded components, the number of hours of child care provided, the average monthly enrollment of CalWORKs dependents served in child care, the number of workstudy hours provided, the hourly salaries and type of jobs, the number of students being case managed, the short-term programs available, the student participation rates, and other outcome data. It is intended that, to the extent practical, reporting from colleges utilize data gathered for federal reporting requirements at the state and local level. Further, it is intended that the chancellor's office compile the information for annual reports to the Legislature, the Governor, the Legislative Analyst, and the Departments of Finance and Social Services by November 15 of each year.

First priority for expenditures of any funds appropriated in Schedule (6) shall be in support of current CalWORKs recipients. However, if caseloads are insufficient to fully utilize all of the funding in this schedule in a cost beneficial way, it is intended that up to \$5,000,000 of the funds subject to local matching requirements may be allocated for providing postemployment services to former CalWORKs recipients who have been off of cash assistance for no longer than two years to assist them in upgrading skills, job retention, and advancement. Allowable services include direct instruction that cannot be funded under available growth funding, child care to support attendance in these classes consistent with this provision, job development and placement services, and career counseling and assessment activities which cannot be funded through other programs. Child care services may only be provided for periods commensurate with a student's need for postemployment training within the two-year transitional period.

Prior to allocation of funds for postemployment services, the chancellor shall first secure the approval of the Department of Finance for the allocations, complete a cumulative report on the outcomes, activities, and cost-effectiveness of the program no later than November 15, 2005, in compliance with the Budget Acts of 1998 (Ch. 324, Stats. 1998) and 1999 (Ch. 50, Stats. 1999) and this act, and shall provide the rationale and justification for the proposed allocation of postemployment services to districts for transitional students.

If a district is unable to fully expend its share of child care funds, it may request that the chancellor's office approve a reallocation to other CalWORKs purposes authorized by this provision, subject to all pertinent limitations and district match required for these purposes under this provision.

15. Funds appropriated in Schedule (6) of this item have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) and may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
- 16.5. (a) Funds provided in Schedule (7) shall be allocated to provide foster and relative/kinship care education and training. Districts shall ensure that education and training required by Sections 1529.1 and 1529.2 of the Health and Safety Code and Section 16003 of the Welfare and Institutions Code receive priority. Districts may use any remaining funds for additional parenting skills and training.
- (b) Funds provided in Schedule (7) shall be used for foster parent and relative/kinship care provider education training services consistent with the following criteria:
 - (1) The Chancellor of the California Community Colleges shall use these funds exclusively for foster parent and relative/kinship care provider education and training, as specified by the chancellor in consultation with an advisory committee that includes foster parents, representatives of statewide foster parent organizations, parent and relative/kinship care providers, and representatives from the State Department of Social Services.
 - (2) Acceptance of funds under this program shall constitute agreement by the district to comply with such reporting requirements, guidelines, and other conditions for receipt of funding as the chancellor may establish.

- (3) Each college plan for foster and relative/kinship care education programs shall include the provision of training to facilitate the development of foster family homes, small family homes, and relative/kinship homes to care for no more than six children who have special mental, emotional, developmental, or physical needs.
 - (4) The California Department of Social Services shall facilitate the participation of county welfare departments in the foster and relative/kinship care education program.
17. (a) Funds appropriated in Schedule (8) are for the purpose of student matriculation pursuant to Article 1 (commencing with Section 78210) of Chapter 2 of Part 48 of the Education Code.
- (b) Of the amount appropriated in Schedule (8), an amount equal to \$14,842,670 shall be allocated to community college districts on a one-to-one matching funds basis to provide matriculation services, including, but not limited to, orientation, assessment, and counseling, for students enrolled in designated noncredit classes and programs who may benefit most, as determined by the Chancellor of the California Community Colleges pursuant to Sections 78216 to 78218, inclusive, of the Education Code.

- 17.5. The funds in Schedule (12) shall be allocated solely to increase compensation for part-time faculty from the amounts previously authorized. Funds shall be distributed to districts based on the total actual full-time equivalent students served in the previous fiscal year and include a small district factor as determined by the Chancellor of the California Community Colleges. These funds are to be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through each district's local collective bargaining process. These funds shall not supplant the amount of resources each district used to compensate part-time faculty or be used to exceed parity of each part-time faculty employed by each district with regular full-time faculty at the same district, as certified by the chancellor. If a district achieves parity, its allocation may be used for any other educational purpose.
18. (a) \$9,550,000 of the funds provided in Schedule (14) of this item shall be for the purpose of supporting technical and application innovations and for coordination of activities that serve to maximize the utility of the technology investments of the community college system towards improving learning outcomes. Allocations shall be made by the Chancellor of the California Community Colleges, based on criteria and guidelines as developed by the chancellor, on a competitive basis through the RFA/RFP application process as follows:
- (1) \$2,000,000, or as much as necessary, shall be available for a statewide digital uplink for the purpose of delivering statewide satellite services to system colleges and districts related to instruction, student support, and administration.
 - (2) \$2,300,000 is for the development and implementation of a systemwide audio bridging and telephony capability of the 4C Net backbone to facilitate collaboration of faculty, students, and staff in instruction, student services, and shared governance activities.

- (3) Any remaining funds shall be available for centers to provide regional coordination for technical assistance and planning, cooperative purchase agreements, and faculty and staff development. All other provisions as specified in Provision 17(b)(3) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 1996 (Ch. 162, Stats. 1996) shall apply.
- (b) \$12,500,000 of the funds provided in Schedule (14) shall be available for allocations to districts. It is the intent of the Legislature that these funds be used by colleges to maintain the technology capabilities specified in Provision 21(a) of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). These funds shall not supplant existing funds used for those purposes, and colleges shall match maintenance and ongoing costs with other funds as provided by Provision 21(a) of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

- (c) Of the funds provided in Schedule (14), \$1,347,000 shall be available for grants to districts to fund California Virtual University distance education centers, for instructing faculty in teaching courses online, and other expenses for conversion of courses for distance education. The funds appropriated in this item shall not supplant existing funds and shall be subject to established fiscal controls, annual reporting and accountability requirements specified by the chancellor. The chancellor shall develop criteria for the allocation of these funds. As a condition of receipt of the funds, colleges are required to submit to the chancellor's office reports in a format specified by the chancellor sufficient to document the value and productivity of this program, including, but not limited to, numbers and nature of courses converted, and the amount of distance education instructional workload services provided as a result of these courses. It is intended that the chancellor's office further develop the reporting criteria for participating colleges and submit that for review along with an annual progress report on program implementation to the Legislative Analyst, Office of the Secretary for Education, and the Department of Finance no later than November 1, 2005, for review and comment.
 - (d) Of the funds provided in Schedule (14), \$1,000,000 is for ongoing support and expansion of the California Partnership for Achieving Student Success Program (Cal-PASS).
19. Of the funds provided in Schedule (15) for the Economic and Workforce Development Program:
- (a) \$19,829,170 is allocated for grants for regional business resources assistance and innovation network centers. Each grant awarded to a district for Centers for International Development shall contain sufficient funds, as determined by the Chancellor of the California Community Colleges, for the continued operation of Mexican International Trade Centers.

- (b) \$5,862,138 is allocated for industry-driven regional education and training collaboratives. These grants shall be made on a competitive basis and the award amounts shall not be restricted to any predetermined limit, but rather shall be funded on their individual merits.
- (c) \$2,705,000 is allocated for statewide network leadership, organizational development, coordination, information and support services, or other program purposes.
- (d) \$3,393,692 is available for Job Development Incentive Training programs focused on job creation for public assistance recipients. Any annual savings from this subdivision shall only be available for expenditure for one-time activities listed under subdivision (j) of Section 88531 of the Education Code.
- (e) The following provisions apply to the expenditure of funds within subdivisions (a) and (b) above: Funds allocated for centers and regional collaboratives shall seek to maximize the use of state funds for subdivisions (g) to (j), inclusive, of Section 88531 of the Education Code. Funds allocated to districts for purposes of subdivisions (g) and (i) of Section 88531 of the Education Code for performance-based training and student internships shall be matched by a minimum of \$1 of private business and industry funding for each \$1 of state funds. Funds allocated for purposes of subdivision (h) of Section 88531 of the Education Code for credit and noncredit instruction may be transferred to Schedule (1) or (3) to facilitate distribution at the chancellor's discretion. Any funds that become available from network centers due to savings, discontinuance, or reduction of amounts shall first be made available for additional allocations in subdivision (b) above to increase the level of subsidized training otherwise available.

- (f) \$4,000,000 is allocated to community college districts on a one-time basis for equipment start-up matching costs associated with nursing program expansion funded through reimbursements from WIA. The chancellor shall initiate a competitive Request for Funding Proposals process for the allocation of these funds to local districts.
- (g) Funds allocated by the Board of Governors of the California Community Colleges under this provision may not be used by community college districts to supplant existing courses or contract education offerings. The chancellor shall ensure that funds are spent only for expanded services and shall implement accountability reporting for districts receiving these funds to ensure that training, credit, and noncredit programs remain relevant to business needs. Programs that do not demonstrate continued relevance and support by business shall not be eligible for continued funding. The board of governors shall consider the level of involvement and financial commitments of business and industry as primary factors in making awards. The chancellor shall incorporate grant requirements into its guidelines for audits of Economic Development grants.
- (h) A primary objective of the Economic Development program is to maximize instruction, to prepare students for entry-level jobs, to increase skills of the current workforce, and to stimulate the growth of businesses through training so that more jobs are created. As part of the annual report on the performance of the Economic Development program, the chancellor shall provide disaggregated data detailing the funding provided to each economic development regional center and each industry-driven regional education and training collaborative, and to the extent practicable, the total number of hours of contract education services, performance-based training, credit and noncredit instruction, and job placements created as a result of each center and collaborative.

20. (a) Of the funds appropriated in Schedule (16), \$589,000 is for Project Assist, \$835,000 is for the California Articulation Number (CAN) system, \$550,000 is for faculty articulation workshops through fiscal year 2005-06.
 - (b) Funding provided to community college districts from Schedule (16) is provided to directly offset any mandated costs claimed by community college districts pursuant to Chapter 737 of the Statutes of 2004.
 - (c) The Chancellor of the California Community Colleges may redirect funding between the program referenced in subdivision (a) not sooner than 30 days from the date of notification to the Joint Legislative Budget Committee of approval by the Department of Finance.
21. The funds appropriated in Schedule (17) are available for the following purposes:

- (a) Scheduled maintenance and special repairs of facilities, replacement of instructional equipment, and replacement of library materials. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported full-time-equivalent students (FTES), and may establish a minimum allocation per district. As a condition of receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995-96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs, plus an equal amount to be provided from district discretionary funds. The chancellor may waive all or a portion of the matching requirement based upon a review of a district's financial condition. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district. For every \$1 a district expends from this appropriation for scheduled maintenance and special repairs, the recipient district shall provide \$1 in matching funds. For every \$3 a district expends from this appropriation for replacement of instructional equipment or library materials, the recipient district shall provide \$1 in matching funds. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses.
- (b) Hazardous substances, abatement, cleanup, and repairs.
- (c) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 and seismic retrofit projects limited to \$400,000. Districts that receive funds for architectural barrier removal projects shall provide a \$1 match for every \$1 provided by the state. The amounts in Schedule (17) of this item shall be available for expenditure until June 30, 2007.

22. Pursuant to Sections 69648.5, 78216, and 84850, and subdivision (b) of Section 87108, of the Education Code, the Board of Governors of the California Community Colleges may allocate funds appropriated in Schedules (5), (8), (10), and (18) by grant or contract, or through the apportionment process, to one or more districts for the purpose of providing program evaluation, accountability, monitoring, or program development services, as appropriate under the applicable statute.

SEC. 26. Item 9210-101-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

9210-101-0001—For local assistance, Local Government Financing..... 126,100,000
Provisions:

1. For allocation by the Controller to local jurisdictions for public safety as determined by the Director of Finance pursuant to Chapter 6.7 (commencing with Section 30061) of Division 3 of Title 3 of the Government Code.
2. Notwithstanding any other provision of law, the funds appropriated in this item shall be available for expenditure until June 30, 2007. These funds shall be used to supplement and not supplant existing services.
3. Notwithstanding Section 30061 of the Government Code, of the amount appropriated in this item, \$26,100,000 shall be available for allocation beginning April 1, 2006, pursuant to the requirements of the Juvenile Justice Crime Prevention Act, as enacted by the Schiff-Cardenas Crime Prevention Act of 2000 (Ch. 353, Stats. 2000). This amount reflects a one-time adjustment to the annual allocation for these grants based on the actual 2005–06 cash needs of an April 1, 2006, to March 31, 2007, grant cycle.

SEC. 27. Item 9210-105-0001 of Section 2.00 of the Budget Act of 2005 is repealed.

SEC. 28. Item 9210-106-0001 of Section 2.00 of the Budget Act of 2005 is amended to read:

9210-106-0001—For transfer by the Controller to the Gap Repayment Fund..... 1,186,830,000
Provisions:

2. For transfer by the State Controller to the Gap Repayment Fund in accordance with Section 10754.11 of the Revenue and Taxation Code, for repayment of the Vehicle License Fee gap loan amounts owed to cities, counties, and cities and counties.

SEC. 29. Item 9650-495 is added to Section 2.00 of the Budget Act of 2005, to read:

9650-495—Reversion, Health and Dental Benefits for Annuitants. As of June 30, 2005, the unencumbered balance of the appropriation in Item 9650-001-0001, Budget Act of 2003 (Ch. 157, Stats. 2003), shall revert to the fund balance from which the appropriation was made.

SEC. 30. Section 4.05 is added to the Budget Act of 2005, to read:

SEC. 4.05. (a) The Director of Finance, in consultation with agency secretaries and other cabinet members, shall reduce General Fund items of appropriations in this act by a total of \$100,000,000. Each agency secretary shall recommend to the Director of Finance amounts to be reduced from the appropriations to departments within the agency. The Director of Finance may provide the agency secretaries with target reduction amounts, in which case the agency secretaries shall provide the Director of Finance with a list of recommended reductions that is no less than the target amount for that agency. For departments not reporting to an agency secretary, the Director of Finance shall determine the amount of the reductions. It is the intent of the Legislature the impact of this section will result in a total of \$200 million increase to the General Fund reserve by the end of 2006-07.

(b) The Director of Finance shall not reduce, pursuant to subdivision (a), the amounts appropriated for the following: higher education; the judicial branch; the Legislature; the Legislative Counsel Bureau; Constitutional Officers; debt service, including, but not limited to, tobacco settlement revenue shortfall, payment of interest on General Fund loans, and interest payments to the federal government; health and dental benefits for annuitants; equity claims before the California Victim Compensation and Government Claims Board; or augmentations for contingencies or emergencies, unless these entities identify savings for this specific purpose.

(c) General Fund savings from appropriations other than those in this Act may be credited towards the overall savings in subdivision (a). Savings from funds other than the General Fund that would otherwise revert to the General Fund in the 2005–06 or 2006–07 fiscal year may also be credited towards the total savings specified in subdivision (a).

(d) Nothing within this section shall be construed to confer any authority upon the Director of Finance to modify or eliminate any other provision of existing law.

(e) The Director of Finance shall report to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committees of each house of the Legislature that consider appropriations not more than 30 days after the reductions are made pursuant to this section. The report shall list the specific reductions, by department, agency, and program, and state the programmatic effects and impacts of each reduction.

SEC. 31. Section 4.85 is added to the Budget Act of 2005, to read:

SEC. 4.85. The Controller shall transfer the amount remaining in the State Public Works Board, 1991A and 1995B Energy Efficiency Bonds, Public Building Construction Fund, to the General Fund.

SEC. 32. Section 29.50 is added to the Budget Act of 2005, to read:

SEC. 29.50. Notwithstanding any other provision of law, the Director of Finance may reduce any appropriation in this act to the extent of any savings in the amount of the expenditures required under that appropriation that are achieved through the collective bargaining process with state employees. The Director shall notify the Joint Legislative Budget Committee and the committees that consider appropriations of the planned reductions at least 10 days prior to making any reduction.

SEC. 33. Section 35.50 of the Budget Act of 2005 is amended to read:

SEC. 35.50. (a) For purposes of paragraph (1) of subdivision (f) of Section 10, and subdivision (f) of Section 12, of Article IV of the California Constitution, "General Fund revenues" means the total resources available to the General Fund for a fiscal year.

(b) For purposes of subdivision (f) of Section 12 of Article IV of the California Constitution, the estimate of General Fund revenues for the 2005–06 fiscal year pursuant to this act, as passed by the Legislature, is \$91,971,000,000.

SEC. 34. This act shall become operative only if the Budget Act of 2005, Senate Bill 77, as proposed to be amended by Conference Report No. 1 on June 13, 2005, is enacted and becomes effective on or before January 1, 2006.

SEC. 35. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This act makes appropriations for the support of the government of the State of California and for several public purposes for the 2005–06 fiscal year. It is imperative that these appropriations be made effective not later than July 1, 2005. It is therefore necessary that this act go into immediate effect.